



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**Johnny Sutton, U.S. Attorney**

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**FOR IMMEDIATE RELEASE**

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**MIDLAND BUSINESSMAN SENTENCED TO FEDERAL PRISON FOR ROLE IN PONZI SCHEME**

**United States Attorney Johnny Sutton** announced that 67-year-old Paul Thorpe of Midland was sentenced today to 41 months in federal prison followed by three years of supervised release for orchestrating a 10-year-long mail fraud scheme that defrauded investors out of more than \$1.7 million.

In addition to the prison term, United States District Judge Robert Junell ordered that Thorpe make full restitution to his victims.

On May 15, 2006, Thorpe pleaded guilty to one count of mail fraud. Thorpe admitted that from 1995 through 2005, he defrauded more than 20 individuals from as far away as Alaska. Thorpe had promised he would invest their money—anywhere from \$10,000 to \$350,000—on their behalf in various offshore entities and/or in a local aircraft manufacturing project. In reality, Thorpe acknowledged in his plea, he merely used the money to pay off earlier investors as part of an elaborate "Ponzi" scheme.

This case was investigated by the Federal Bureau of Investigation. Assistant United States Attorneys Sandra Beckner and John Klassen prosecuted this case on behalf of the government.

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